

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of a Recommendation)
Concerning the Surcharge for Deaf Relay)
Service and Equipment Distribution Program)
Fund.)

Case No. TO-2005-0308

**STAFF'S RELAY PROGRAM FUND REPORT
FOR THE FIRST QUARTER OF FISCAL YEAR 2007**

COMES NOW the Staff of the Missouri Public Service Commission and for its report states:

1. The Commission has directed the Staff to monitor the Deaf Relay Service and Equipment Distribution Program Fund and to submit quarterly reports to the Commission regarding the state of the fund. The reports are due no later than 20 days following the end of the quarter.

2. In the attached Memorandum, the Staff reports on revenues and expenditures of the fund during the first quarter of fiscal year 2007.

Respectfully submitted,

/s/ William K. Haas

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Certificate of Service

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 13th day of October 2006.

/s/ William K. Haas

To: Official Case File

Case No. TO-2005-0308

From: Walt Cecil

Date: October 13, 2006

Re: Deaf Relay and Adaptive Equipment Distribution Program Fund Balance Quarterly Report,
First Quarter FY 2007

The September 2006 closing Deaf Relay and Equipment Distribution Fund (Fund) balance is \$2,237,153 which is up about \$126,781 (or approximately 6%) from the June 2006 closing balance. The Fund has increased by \$418,419 (or by 23%) since the surcharge was increased to \$0.13 in September 2005. Table 1 details Fund activity over the first quarter of FY 2007, July – September 2006, and Table 2 indicates general Fund activity for the past thirteen months, the period for which the \$0.13 surcharge has been effective.

Table 1: Fund Activity, 1Q FY 2007			
Date	Receipts¹	Expenditures²	Closing Balance
July 2006	\$376,471.35	\$115,746.28	\$2,371,097.19
August	\$452,608.70	\$362,543.58	\$2,461,162.31
September	\$403,118.50	\$627,127.60	\$2,237,153.21
First Quarter 2007 Averages	\$410,732.85	\$368,472.49	\$2,356,470.90

No payments were made for TRS services in August, but double payments were made in September. Consequently, the August Fund balance was higher than was expected.

Table 2: Fund Activity September 1, 2005 to September 30 2006 (surcharge \$0.13)	
September 1, 2005 balance	\$1,884,657.38
September 30, 2006 balance	\$2,237,153.21
Growth	\$352,495.83

For the period September 1, 2005 – September 30, 2006:

- Total Revenues were \$5,235,666.99;
- Total Expenditures were \$4,883,171.16;
- Average monthly receipts were about \$402,473;

¹ Receipts consist of surcharge revenues collected by local exchange carriers from end-users and paid to the state, and interest earned by the Fund.

² Expenditures includes amounts paid to the relay vendor, Sprint, amounts withdrawn by ATEP and amounts withdrawn by the Office of Administration for the Central Services Allocation Program. There are also expenses incurred by the Relay Missouri Advisory Committee and the committee members, individually, that are supported by the Fund.

- Average monthly expenditures were about \$375,628;
- The central services cost allocation program appropriated \$68,032;
- Relay Missouri Advisory Committee expenses were about \$2,202;
- The traditional TRS usage trend declined by about 4,250 minutes per month, or \$3,995 per month;
- The CapTel usage trend appears to have increased by about 403 minutes per month, or \$584 per month;
- About 8.5 additional CapTel phones were distributed each month for a total of 110 units for the period;
- Average monthly CapTel usage for the period varied between 108 and 124 minutes and was 117 minutes in August. Average CapTel usage is substantially lower than was anticipated;
- The equipment distribution program expended about \$1,610,262 or about \$123,866 per month.

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TO-2005-0308

AFFIDAVIT OF WALT CECIL

STATE OF MISSOURI)
)ss
COUNTY OF COLE)

Walt Cecil, employee of the Staff of the Missouri Public Service Commission, being of lawful age and after being duly sworn, states that he has participated in the preparation of the accompanying memorandum and that the facts therein are true and correct to the best of his knowledge and belief.



Walt Cecil

Subscribed and affirmed before me this 13th day of October, 2006. I am commissioned as a notary public within the County of Cole, State of Missouri, and my commission expires on June 7, 2008.



NOTARY PUBLIC

